Ontario
Ministry of Colleges and Universities
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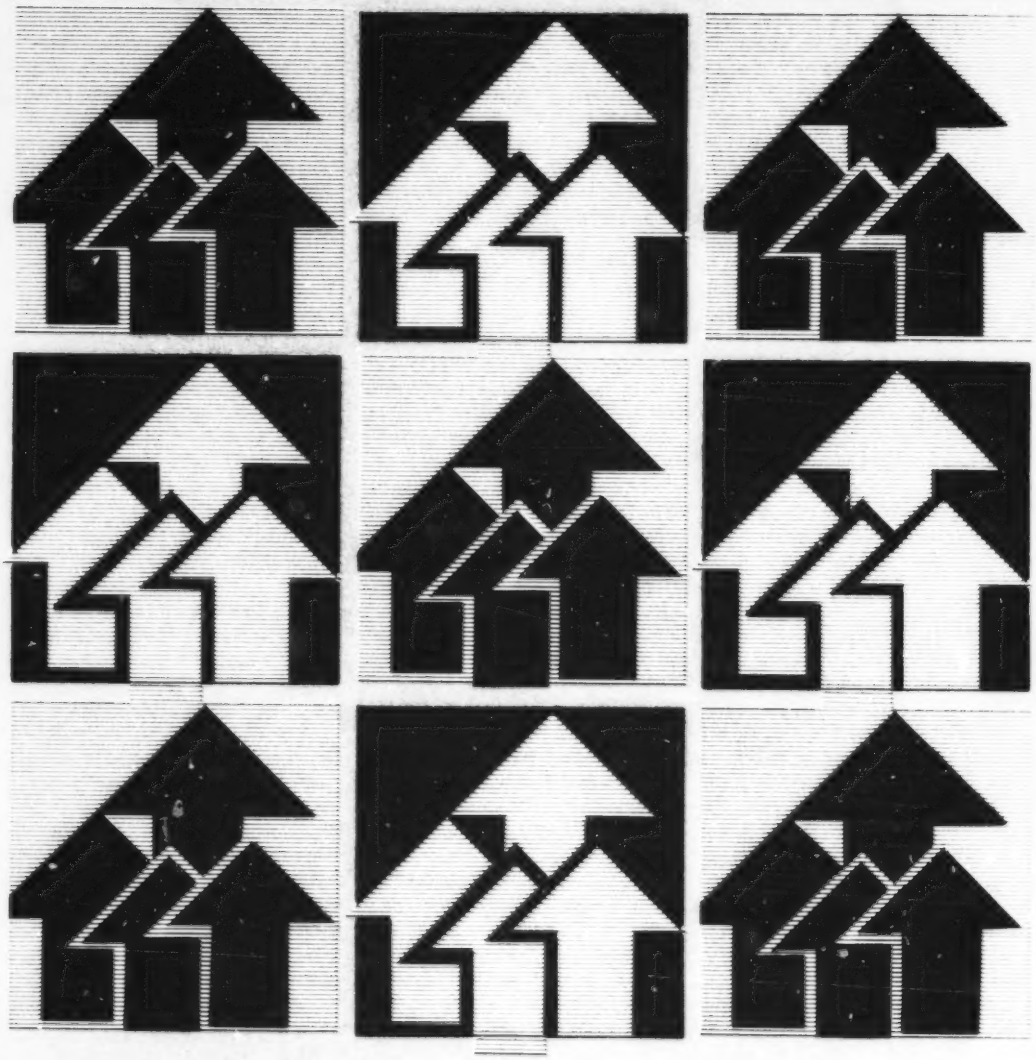
OSAP



Report of the Ontario Student Assistance Program 1982/83

Report of the Ontario Student Assistance Program 1982-83

This report provides an analysis and review of the Ontario Student Assistance Program for the academic year 1982-83. It is the fifth annual report on the program since the introduction of the Ontario Study Grant Plan.

The data for the report were extracted from the Ministry's computer files where information provided on the students' application forms for assistance is stored. All amounts shown in this report are expressed in 'current dollars'. No allowance has been made for inflation. Additional information relating to the report may be obtained from the Ministry, if it is readily available.

This report was compiled by the Student Awards Branch of the Ministry of Colleges and Universities. Requests for further information should be directed to S. (Raj) Rajagopal at 416-965-7191.

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Introduction

Provincial assistance for postsecondary students in Ontario dates back to the early 1920s, but the first significant student aid was introduced mainly through the Dominion-Provincial Student Aid Program (DPSAP) in 1939. This program continued until 1964-65, when it was superseded by the Canada Student Loans Plan. DPSAP was designed to help students showing academic potential but lacking the necessary financial resources to gain access to a university education. Initially, the provinces matched the federal financial contribution. In 1964, with the introduction of the Canada Student Loans Plan, the program became based totally on financial need. In Ontario, provincial grants were introduced in 1966 to supplement the federal loans. In 1978 the provincial grant plan in Ontario was separated from the federal loan plan in terms of the criteria governing eligibility and assessment of financial need.

The main objective of the Ontario Student Assistance Program is to provide financial assistance to academically qualified and financially needy Ontario residents in order that they have access to postsecondary education.

In order to meet this objective, assistance is provided in the form of non-repayable grants (for the first four years of postsecondary study); guaranteed, interest-subsidized loans; and non-repayable bursaries. The "needs test", which is basic to the four plans under the Ontario Student Assistance Program, determines what the student requires by way of supplemental resources to help him/her undertake postsecondary study.

This document reviews the performance of the Ontario Student Assistance Program during the academic year 1982-83. It analyses the assistance provided under the program (to whom aid was given, in what form, etc.). It also reviews the program's operation in terms of its individual components and verification, and takes a critical look at the extent to which the program has met its objectives.

Wherever possible, comparative data are provided for earlier years. It should be noted, however, that any time-series comparisons would be meaningful only for the period commencing 1978-79. Before that year, the operation of the program differed significantly from its present form in that a student was required to take out the first $1000 of his/her total assessed need as a federal loan before receiving any grant assistance from the province.

In 1982-83 a student was classified as Group B (independent) for grant assessment if he/she was married or was a single parent with a dependent child or children or had worked full-time for three periods of twelve consecutive months. A student was classified as Group B for loan assessment if he/she was married or was a single parent with a dependent child or children or had worked full-time for two periods of twelve consecutive months or had been out of secondary school for four full years. A student who did not meet the above criteria was classified as Group A (dependent).

Detailed tables on the various distributions of these awards are provided as appendix to this report.

Summary

During the academic year 1982-83[1], a total of 100 778 students received aid in the form of loans and grants under the Ontario Student Assistance Program. The total assistance for which these students were eligible was $299.00 million[2]; $101.12 million of this was in the form of grants, and $197.88 million in the form of loans.

The highlights of the program in 1982-83 are as follows:

- Of all students in full-time enrolment in Ontario colleges and universities, 33.14 per cent received assistance under the Ontario Student Assistance Program. Of these, 27 per cent received a mix of grants and loans, and 6.14 per cent received loans only. The total number of awards as a percentage of full-time enrolment in Ontario's colleges and universities increased by 25.38 per cent over that of the previous year. Grant awards increased by 25.57 per cent and loan awards by 24.14 per cent from 1981-82.

- Average grants for the three main categories of students changed slightly: there was a 5.07 per cent increase for dependent single students, a 2.86 per cent increase for independent single students, and a 2.17 per cent increase for married students.

- Approximately 37% of the total grants provided to dependent single students under the program was received by students whose parents earned incomes less than $10 001, and 78.5% by students with parental incomes less than $20 001.

- The increase in the number of grant awards was mainly for students enrolled in the colleges of applied arts and technology (31.90 per cent) and private vocational schools (31.99 per cent); university students eligible for grants also registered an increase of 20.45 per cent.

- The number of dependent single students receiving grants increased by 27.38 per cent. The number of married students receiving grants recorded an increase of 19 per cent. The increase in the number of independent single students receiving grants was 20.72 per cent.

- The number of Canadian citizens receiving grants increased by 25.95 per cent. The number of permanent residents (landed immigrants) recorded an increase of 20.14 per cent.

- Of the total grant awards, 52.33 per cent were made to female students.

[1]The academic year covers the period from July of one year to August of the following year (from September to the following April for most students), and overlaps two government fiscal years which run from April of each year to the following March.

[2]Assistance consists of loans and grants and does not include the expenditure made on interest payments and defaults on loans.

- Of the students enrolled in Ontario's universities, 38 598 received assistance in the form of grants or a mix of grants and loans. The breakdown of this enrolment was as follows: 36 624 in undergraduate programs; 155 in graduate programs; and 1819 in diploma, certificate, and other non-degree programs.

- Of the students enrolled in Ontario's colleges, 33 402 received grants and/or loans. These students were enrolled in the following programs: 28 102 in diploma programs, 5286 in certificate programs, and 14 in other programs.

- A large number of the grant awards (48.11 per cent) fell in the $1001 - $2500 range. The distribution of awards showed a small increase in the over $3000 range (5.41 per cent). There was a decrease (2.54 per cent) in the number of awards in the $1 - $1,000 range.

- The parental-income profile of dependent single students receiving grants showed a slight variation from 1981-82. Parental incomes of grant recipients showed a small upward shift in the over $25 000 income ranges. Of the dependent single students receiving grants, 31.97 per cent showed a parental gross income of under $15 001, 40.70 per cent had parental gross incomes below $18 001 and 46.54 per cent had parental gross incomes less than $20 001. Tables on these distributions are provided in Appendix 1.

- The family size of dependent single students receiving grants maintained more or less the same pattern as in the previous year. The figures given in Table 1 are self-explanatory.

Table 1: Family Size of Dependent Single Students Receiving Grants

Number of Children	Per Cent of Students
1 child	30.72
2 children	31.82
3 children	22.62
4 children	9.87
Over 4 children	4.97
Total	100.0

- Students who were eligible to apply only for loans came mainly from three groups: independent single students (74.24 per cent), dependent single students attending schools away from their parental homes (9.07 per cent) and independent married students (9.45 per cent). Of the independent single students, 29.22 per cent had loans in the range of $1 - 2000, 18.12 per cent had loans in the range of $2001 - $3000, and 52.66 per cent had loans in the range of $3001 and over.

- A total of 406 students received funds under the Ontario Work Study Plan. This plan was introduced in 1982-83 as a pilot project to help students with special financial need not met under the regular OSAP assessment. Of these, 53.4% were dependent single students, 32.3% independent single students, 3.7% single parents and 10.6% other married students.

The Aid Recipients

For the academic year 1982-83, a total of 78 554 grant awards were issued for a dollar value of $101.12 million. In addition, 100 778 loans were issued for an amount of $197.88 million, consisting of $146.54 million in federal loans and $51.34 million in provincial loans. Most of the students who received grants were also eligible for loans, as Table 2 shows.

Table 2: Student Awards by Type

	Number of Awards	Dollar Value (in millions)
Grants	78 554 (43.80%)	$101.12 (33.82%)
Loans	100 778 (56.20%)	$197.88 (66.18%)
Total	179 332 (100.0%)	$299.00 (100.0%)

Of the 100 778 loan awards, 22 224 were made to students who were not eligible for grant assistance for various reasons, the most common of which was that they had completed the first four years of their postsecondary study before applying for assistance in 1982-83.

Of the total grant awards issued in 1982-83, 38 598 were made to students attending universities in Ontario, and 33 402 to students enrolled in Ontario's colleges of applied arts and technology. Out of the total of 100 778 loans, 52 612 were issued to university students in Ontario, and 35 898 to college students. Table 3 presents a breakdown of this assistance.

Table 3: Student Awards by Type of Institution Attended

	Grants		Loans	
Institution Attended	Number	Dollar Value (in millions)	Number	Dollar Value (in millions)
University in Ontario	38 598 (49.14%)	$52.65 (52.08%)	52 612 (52.21%)	$112.46 (56.83%)
College in Ontario	33 402 (42.52%)	$41.30 (40.84%)	35 898 (35.62%)	$58.39 (29.51%)
Other Institutions	6 554 (8.34%)	$ 7.17 (7.08%)	12 268 (12.17%)	$27.03 (13.66%)
Total	78 554	$101.12	100 778	$197.88

The breakdown of the loans and grants by the type of student is summarized in the following Table.

Table 4: Number (Per Cent) of Student Awards by Type of Student

	Grants	Loans
Dependent single students	60 297 (76.76%)	63 129 (62.64%)
Independent single students	10 290 (13.10%)	26 788 (26.58%)
Married students*	7 967 (10.14%)	10 861 (10.78%)
Total	78 554	100 778

*Included in the married students are 3687 single parents who received grant and loan assistance and 793 single parents who were awarded loans only.

Of the grant awards 73 620 (93.72 per cent) were made to Canadian citizens, and the remainder (4934) to permanent residents (landed immigrants). With respect to loan awards, 94 163 (93.44 per cent) were issued to Canadian citizens, and 6615 to permanent residents.

During the academic year 1982-83, the number of female students receiving assistance has remained fairly consistent with previous years, as shown in Table 5.

Table 5: Students Receiving Assistance, Broken Down by Sex

	Grants		Loans	
	1981-82	1982-83	1981-82	1982-83
Male students	28 441 (45.46%)	37 447 (47.67%)	38 610 (47.56%)	49 507 (49.12%)
Female students	34 116 (54.54%)	41 107 (52.33%)	42 570 (52.44%)	51 271 (50.88%)
Total	62 557	78 554	81 180	100 778

There was a large increase in the total number of grant awards issued in 1982-83 (25.57 per cent). The increase in loan awards for the same period was 24.14 per cent.

Amount of Assistance Received

Of the total amount of grants, 70.83 per cent was received by the single students whose parental resources were taken into consideration in determining financial need; independent single students and married students received 18.74 per cent and 10.43 per cent respectively of the total grants. Table 6 shows the average grant assistance for the three groups of students.

Table 6: Average Grant Assistance by Type of Student

	1981-82	1982-83
Dependent single students	$1125	$1182
Independent single students	$1782	$1833
Married students	$1289	$1317

The average grant assistance to dependent single students shown in Table 6 is a composite amount for students who lived with their parents while attending school and for those who did not. Of the dependent single students, 65.95 per cent lived away from home during 1982-83. The corresponding percentage for 1981-82 was 68.98.

The award profile of students according to the type of school they attended is shown in Table 7.

Table 7: Average Grant Assistance by Type of Institution Attended

Institution Attended	Average Grant	
	1981-82	1982-83
University in Ontario	$1290	$1364
College in Ontario	$1203	$1236
Other institutions	$1093	$1094

Average awards for students at Ontario's postsecondary institutions have recorded a slight increase in 1982-83. This is attributable in part to increases in tuition fees and other costs faced by students as Tables 11 and 12 would show.

The figures for loans issued in 1982-83, shown in Tables 8 and 9, also reflect a picture similar to that for grants. The following are two possible reasons for the increases in average loans: (a) the cost/resource levels permitted in loan assessments are less stringent than those for grant assessments, and hence the financial need under loan assessments is higher for most students; (b) students who appeal for increased assistance because of special circumstances get additional support funds generally in the form of loans.

Table 8: Average Loan Assistance by Type of Student

	1981-82	1982-83
Dependent single students	$1059	$1538
Independent single students	$2340	$2602
Married students	$2575	$2660

Table 9: Average Loan Assistance by Type of Institution Attended

Institution Attended	Average Loan	
	1981-82	1982-83
University in Ontario	$1714	$2138
College in Ontario	$1240	$1627
Other institutions	$2058	$2203

Table 10 shows the distribution of 'grant' awards for the two academic years 1981-82 and 1982-83:

Table 10: Distribution of 'grant' Awards by Value

Value of 'grant' Awards	Percentage of Recipients	
	1981-82	1982-83
$ 1 - $ 500	13.86	12.21
$ 501 $1000	16.31	15.42
$1001 - $1500	16.70	15.70
$1501 - $2000	15.22	14.45
$2001 - $2500	18.23	17.96
$2501 - $3000	9.32	8.49
Over $3000	10.36	15.77
Total	100.0	100.0

In 1982-83 about 22 900 students who applied for grant assistance did not receive any awards because their resources were in excess of the costs calculated under the program.

The size of the grant awards assessed during 1982-83 varied according to the individual circumstances of students applying for assistance. While costs generally increased, variations in resources affected the change in the pattern of grant awards from 1981-82 to 1982-83. The grant awards ranged from a minimum of $20 to a maximum of $4000. Similarly, the loans awarded had a wide spread, from $50 to over $4500.

Of the grant awards, 48.11 per cent were in the range of $1001 to $2500. Awards in excess of $2500 accounted for 24.26 per cent of the total. The profile of awards shows an increase in the number of awards in the $3501 - $4000 range, and an increase of awards in excess of $4000. This would indicate that funding is reaching its intended clientele, that is, students from low income families whose financial needs are significantly high. Another contributing factor is the number of married students whose family income did not rise to the same extent as their educational costs and who, therefore, received increased awards.

Students' Educational Costs and How They Were Met

The total costs of students attending postsecondary institutions are made up of tuition fees, ancillary fees, and book, equipment, transportation, food, and accommodation expenses. The Ontario Student Assistance Program supplements the students' own resources to the extent needed to meet these costs. During 1982-83 student costs in the grant assessments consisted of 21.63 per cent for tuition fees, 59.80 per cent for food and accommodation, 10.31 per cent for books and equipment, and the balance (8.26 per cent) for other miscellaneous costs. The average costs of the different student groups are shown in Table 11. They reflect the general increase in costs for all students.

Table 11: Average Student Costs by Type of Student

	1981-82	1982-83
Dependent single students	$3375	$3609
Independent single students	$3529	$3793
Married students	$2257	$2334

The average student costs by type of institution attended are given in Table 12.

Table 12: Average Student Costs by Type of Institution Attended

	1981-82	1982-83
University in Ontario	$3586	$3884
College in Ontario	$2926	$3146
Other institutions	$3068	$3090

The cost increases in grant assessments stem mainly from increases in tuition fees and living costs (for single students living away from home while at school). For students attending Ontario's universities, the average tuition fee increase in 1982-83 was $121. Similar increases for students enrolled in Ontario's colleges of applied arts and technology averaged approximately $47.

Approximately 63 per cent of the total educational costs of all students eligible for grants in 1982-83 was met out of the resources of the students and/or their families. The remaining 37 per cent was covered by grants under the Ontario Study Grant Plan. For the three categories of students, the percentage of total costs met by non-repayable grants is as follows: for dependent single students - 32.75 per cent, for independent single students - 48.32 per cent and for married students - 56.42 per cent.

For dependent single students, resources assessed in the grant calculation came mainly from two sources: the students' own contribution (36.79 per cent) and a parental contribution (63.21 per cent). Parental contribution accounted for about 65.70 per cent of the total resources for students living away from home, but only 56.07 per cent for students living with parents while at school. These parents provided further assistance in kind through the provision of room and board to the student.

Family Profile of Students Receiving Assistance

Approximately 63 per cent of the dependent single students who received grant assistance in 1982-83 were from families with one or two children. The distribution of families by number of children is given in Table 1, Page 3. The slight increase in 1982-83 in the number of families with one child and two children is compensated partly by a corresponding decrease in the number of families with three or more children.

The grants received by dependent single students depended on their parental incomes and also on other factors such as the number of children in their family and, in particular, the number of children attending postsecondary institutions from their family. The average award for students whose parental incomes were $15 000 or lower was $2207 while the average award for those whose parents earned over $30 000 was $204.

Approximately 60% of the total grant assistance provided to dependent single students was received by students whose parental incomes were $15 000 or less. An additional 36% was received by students whose parents earned between $15 001 and $30 000. Four per cent of the total grant funds reached students whose parents were earning in excess of $30 000. The amount of assistance depended on the 'need assessment' which takes into account the resources of the students and the costs they are expected to incur during the study period.

Statistics Canada's estimate of median income for families in Ontario for 1982 was $30 888. Students who came from families below the above median income received approximately $68.45 million in grants, which represents 96.3% of our total grants provided to dependent single students in 1982-83.

The majority of married students who received grants in 1982-83 (60.86%) had a family gross income below $10 001. Close to 34.65 per cent of married students had incomes below $5001. Those with family incomes above $10 000 accounted for 39.14 per cent of the total number of married students.

Study Level/Course Profile

The students who were assisted with grants in 1982-83 were, for the most part, enrolled in postsecondary courses of twenty-six to thirty-eight weeks' duration. In addition, there was a significant group of students taking courses of ten to nineteen weeks in length (9.22 per cent), and a slightly larger number of students taking courses of more than thirty-eight weeks' duration (10.67 per cent). The grant recipients in 1982-83, broken down by institution type and course length, are given in Table 13.

Table 13: Grant Recipients (Per Cent) by Type of Institution and Length of Course

Course Length	Per Cent In Ontario's Universities	Per Cent In Ontario's Colleges	Per Cent In Other Institutions
Less than 19 weeks	7.53	11.69	19.88
20 - 25 weeks	0.85	2.97	2.56
26 - 32 weeks	14.33	9.04	28.20
33 - 38 weeks	68.92	65.66	24.93
Over 38 weeks	8.37	10.64	24.43
Total	100.0	100.0	100.0

The general shift in the course length distributions has been from the "26 - 32 weeks" to "Over 38 weeks" categories. This shift represents a very slight increase in the program lengths of courses offered at the various postsecondary institutions in Ontario. In part, it could be explained in terms of a preference on the part of some students to continue a third term of study and complete their programs sooner, or due to the fact that many institutions have structured their programs to run throughout the year without a break in the summer in order to make effective use of the facilities available.

Universities in Ontario Because of the restriction on grants to the first four years of postsecondary study, most of the grant recipients in 1982-83 (94.89%) were enrolled in undergraduate programs. About 5.01 per cent of the students were in certificate/diploma programs or in the first year of their graduate studies. A very large segment of grant awards (68.40 per cent) was received by students enrolled in general arts and sciences programs. Closely following that were the groups in engineering, business, and health sciences, in that order. The distribution of students in 1982-83 is given in Table 14.

Table 14: Distribution of University Students Receiving Grants, by Type of Program

Faculty	Percentage of Students
Arts and Sciences	68.40
Engineering and Technology	10.19
Administration/Business	9.11
Health Sciences	5.03
Education and Social Work	3.95
Other	3.32
Total	100.0

Of the students who received only loans, 14.51 per cent were enrolled in graduate programs, and the remaining applicants (85.49 per cent) were registered either in certificate/diploma programs or in bachelor's programs. The large number of loan recipients in undergraduate programs is the result of students' taking a second bachelor's degree or diploma, of students' repeating courses, and of students' enrolling in longer programs (programs in excess of four years of study) that require a preparatory study of two to three years before the main program begins. Table 15 shows the distribution of students receiving only loans in 1982-83.

Table 15: Distribution of Students Receiving Only Loans, by Type of Program

Faculty	Percentage of Students		
	Undergraduate	Graduate	Others (cert. and diplomas)
Arts and Sciences	42.91	45.15	49.15
Law	11.74	0.25	0.85
Education and Social Work	10.75	10.13	13.73
Engineering and Technology	10.33	3.64	13.22
Medicine	10.06	1.08	1.36
Business	5.38	28.09	13.39
Other	8.83	11.66	8.30
Total	100.0	100.0	100.0

Colleges in Ontario The programs in which grant recipients from Ontario's colleges of applied arts and technology were enrolled in 1982-83 are given in Table 16.

Table 16: Distribution of College Students Receiving Grants, by Type of Program

Faculty	Percentage of students
Administration/Business	29.95
Engineering and Technology	23.58
Arts and Sciences	21.92
Health Sciences	13.44
Education and Social Work	7.27
Trades and Vocations	3.39
Other	0.45
Total	100.0

Table 17 shows the distribution of college students receiving only loans in 1982-83

Table 17: Distribution of College Students Receiving only Loans, by Type of Program

Faculty	Percentage of Students	
	Diploma	Certificate
Engineering and Technology	30.00	14.88
Health Sciences	22.93	15.15
Administration/Business	21.52	27.00
Arts and Sciences	20.07	19.56
Education and Social Work	4.08	3.58
Other	1.40	19.83
Total	100.0	100.0

Federal Assistance Provided to Students Under the Canada Student Loans Program The Canada Student Loans (CSL) Program is one of the four aid plans under the Ontario Student Assistance Program. Students who are eligible for grants and loans can get federal loans in addition to provincial grants. Other students, who are not eligible for grants because they have the equivalent of four years' postsecondary education or because their school or program does not qualify for grants, may qualify for federal loans. The amount of assistance provided under the Canada Student Loans Program for the past six years is shown in Table 18.

The increase over previous years in the total Canada Student Loans assessed in 1982-83 is the result mainly of a change in the tables for calculating contribution from parental income, which reduced the amount that parents were expected to contribute to their son or daughter's education.

Table 18: Student Assistance Under the Canada Student Loans Program

Year	Number of Students Eligible	Amount of Assistance (in millions)
1977-78	80 959	$86.27
1978-79	75 106	$74.42
1979-80	81 936	$73.20
1980-81	78 991	$83.39
1981-82	81 180	$101.91
1982-83	100 778	$146.54

The levels of costs and allowances under the Canada Student Loans Program are generally more generous than those allowed in the Ontario Study Grant Plan. This provides some students with an option to take out loans as required to meet their additional expenses related to life style differences.

Ontario Student Loans Plan as Supplement to the Provincial Grants and Federal Loans

Under the Ontario Student Loans Plan, provincially guaranteed loans are made available to students enrolled in postsecondary programs of study. When this plan was first introduced in 1975, it was intended to help students who were not eligible to apply for assistance under the Canada Student Loans Program for a number of reasons: the length of their course was less than twenty-six weeks, their program of study was not approved for Canada Student Loans, or their course load was less than 60 per cent of a full program. The plan grew steadily until 1978 when the total amount of loans negotiated under the plan reached approximately $3.47 million.

However, the maximum Canada Student Loan to which a student was entitled in a two-term academic year (thirty-two weeks) remained at $1800 from 1974 to 1983 in spite of annual increases in student costs. As a result, many students eligible for only loans were left with a substantial part of their need not met through federal loans. To bridge this gap, the scope of the Ontario Student Loans Plan was expanded in 1978. For students studying in Ontario, provincial loans now top off the federal loans, and students whose need exceeds the federal loan maximum can obtain the additional funds through provincially guaranteed loans. As a consequence, the volume of Ontario Student Loans issued in the academic year 1982-83 increased to about $51.34 million. Table 19 illustrates the growth in the provincially guaranteed loans.

Table 19: Ontario Student Loans

Year	Loans Issued (in millions)
1977-78	$ 1.6
1978-79	$16.1
1979-80	$18.0
1980-81	$21.95
1981-82	$27.65
1982-83	$51.34

With the increase in the volume of these loans, two other factors have heightened the impact on provincial expenditure - (a) the rate of interest payable to lending institutions and (b) the extent of loan claims paid to banks for guaranteed loans. The figures in Table 20 are self-explanatory.

Table 20: Ontario Student Loans - Interest and Claims

Year	Interest on Loans	Claims Paid Under Guarantee	
		Number	Amount
1976-77	$ 107 521.67	10	$ 8 571.33
1977-78	$ 155 871.77	141	$ 128 657.23
1978-79	$ 170 625.37	226	$ 253 551.63
1979-80	$ 874 872.10	407	$ 498 567.90
1980-81	$2 807 474.24	944	$1 229 125.76
1981-82	$4 910 029.01	1493	$2 276 193.99
1982-83	$6 054 284.09	1159	$2 282 985.91

Under the Ontario Student Assistance Program, 114 770 provincial loans have been negotiated since their inception and only 3.51 per cent of these loans have been claimed by banks. A more appropriate comparison would be between the number of students who have defaulted and the number of students whose loans have reached the repayable stage (that is, the student is no longer eligible for interest-free status). This results in a claim rate of 10.87 per cent.

The amounts shown in Table 20 represent claims paid to banks under the provincial guarantee for Ontario Student Loans. Once these amounts are paid to the banks, procedures are initiated by the Central Collection Services of the province to recover the amounts due from the defaulting student borrowers. Quite a number of the defaulted loans are recovered from the students usually with a commitment to provide repayment over a future period of time. In these cases, interest accumulates on the outstanding amount until the debt is repaid in full. The approximate amounts of such collections were $6010 in 1978-79, $31 900 in 1979-80, $119 200 in 1980-81, $280 900 in 1981-82 and $372 270 in 1982-83.

The value of loans claimed since the inception of the Ontario Student Loans Plan is slightly over $6 million. These claims (principal amount owing on loans and interest accrued thereon) vary in value from less than $100 to over $4000 (see Table 21). An analysis of the reasons for the claims (given by the banks at the time of making their claims under the provincial guarantee) is given in Table 22.

Table 21: Student Loan Claims by Amount

Claim Ranges	Per Cent of Loan Accounts
$ 1 - $ 500	15.07
$ 501 - $1000	23.54
$1001 - $1500	14.64
$1501 - $2000	19.76
$2001 - $2500	13.16
$2501 - $3000	4.66
$3001 - $3500	2.32
$3501 - $4000	2.49
$4001 and over	4.36
Total	100.0

Table 22: Student Loan Claims by Reasons for Default

Reason for Claim	Per Cent of Claims
Death	1.26
Illness	2.02
Bankruptcy	3.68
Unemployment	13.76
Unwillingness/Non-cooperation	38.94
Inability to locate/trace/contact borrower	29.96
Other miscellaneous reasons	10.38
Total	100.0

Ontario Special Bursary Plan and How It Meets the Financial Needs of Students Facing Special Circumstances

The Ontario Special Bursary Plan, a unique component of the Ontario Student Assistance Program, was introduced in 1975 to assist special categories of students such as single parents, those receiving social welfare assistance, the unemployed, or individuals with low family incomes. The bursary was intended to help them acquire marketable skills and improve their earning potential. Over the past eight years, this plan has been of benefit to the above categories of students. The assistance provided under the Ontario Special Bursary Plan during the years 1980-81 to 1982-83 is shown in Table 23.

Table 23: Assistance Provided Under the Ontario Special Bursary Plan

	1980-81	1981-82	1982-83
Number of students assisted	1175	1770	1965
Total assistance provided	$477 471	$490 111	$582 819
Average bursary award	$ 406	$ 277	$ 297
Maximum bursary	$ 1200	$ 1200	$ 1200

The Ontario Special Bursary Plan was originally intended only for part-time students carrying a 60 per cent course load or less. However, because of its suitability for students in skills-upgrading programs, students in such programs with a course load of over 60 per cent are also permitted to apply for this program.

Of the total number of students who received bursary assistance in 1982-83, about 12 per cent were males and the remaining 88 per cent were females. The marital status of recipients is given in Table 24.

Table 24: Marital Status of Recipients of the Ontario Special Bursary Plan

Status	Per Cent of Students
Single students	12.46
Single parents	72.85
Other married students	14.69
Total	100.0

Of all the bursary recipients, 84.57 per cent had no employment to report during the period of study. The remaining 15.43 per cent of bursary students had some kind of employment - 5.12 per cent were employed full-time, and 10.31 per cent reported part-time employment.

A large number of the bursary recipients in 1982-83 (81.82 per cent) were receiving support of some kind from a government or quasi-government agency as shown in Table 25.

Table 25: Bursary Recipient Receiving Government Support

Nature of Support Funds	Per Cent of Students
Family Benefits allowances	52.67
Unemployment insurance benefits	8.53
General Welfare allowances	18.55
Penitentiary allowances	-
Rehabilitation benefits	0.59
Other pension benefits	1.48
Subtotal	81.82
Those receiving no support	18.18
Total	100.0

A large majority of the bursary recipients did not have any prior postsecondary education. Of the total bursary recipients 31.97 per cent had some postsecondary education. Another 9.05 per cent had a degree, diploma or certificate at the time of applying for bursary assistance. Of the students who had previous postsecondary education, 59.9 per cent were single parents.

Ontario Work Study Plan

In 1982-83 a new plan called the Ontario Work Study Plan was introduced, on a pilot basis, as part of the Ontario Student Assistance Program. The objective of this plan is to provide the financially needy students with additional funds in the form of remuneration for work done, in order to help them meet their special costs while at school without any excessive dependence on loans. This plan emphasizes the principle of self-help, and permits students to make up the shortfall in their expenses by working in or around the campus at times that will not conflict with their academic schedule. The program costs are shared equally between the province and the local sponsors.

There was some delay in the program getting started in this year. As a consequence of the delayed implementation, the expenditure for the program in the fiscal year 1982-83 was only $47 521 which represents a half share of the total outlay for the plan. The response to the plan was, however, enthusiastic from both students and the 21 postsecondary institutions which participated in the plan.

A breakdown of the recipients of Work Study funds is provided below in Table 26.

Table 26: Number of Recipients of Work Study Funds by Type of Institution and Student Group

Student Group	Colleges		Universities		Total	
	# of Recips.	As % of Total	# of Recips.	As % of Total	# of Recips.	As % of Total
Dependent single	64	53.33	153	53.50	217	53.44
Independent single	35	29.17	96	33.57	131	32.27
Married students	12	10.0	31	10.84	43	10.59
Single parents	9	7.50	6	2.09	15	3.70
Total	120	100.0	286	100.0	406	100.0

The circumstances which prompted these students to apply for work study funds were: lack of parental contribution (30.8%), cash flow problems (18.9%), lack of summer earnings (13.4%) and ineligibility caused by ceiling on awards (11.7%). 69.8% of the students who received work study funds expressed satisfaction with the quality, rate of pay, hours of work and learning experience in the work study positions offered to them.

As the Ontario Work Study Plan gathers momentum, it is expected to play a significant role in complementing the three other plans under the umbrella of the Ontario Student Assistance Program.

Effect that the Assets of Students and Their Families Have on the Amount of Assistance Received

The policy on assets was first introduced in 1978-79 to discourage applications from students who had sufficient personal or family assets to meet their education costs. Under this policy, a contribution is expected based on the net value of the student's or family's assets when determining the student's financial need. Because of this contribution from assets, funds available in the program could be directed to those students who needed assistance most. In 1982-83, 3447 students receiving grants had an expected contribution from parental assets, the average contribution being $870 per student. The average contribution from the 627 married students with assets was $742 per student. There were 3043 students receiving grants who had a contribution expected from their own assets, the average amount being $561 per student.

Role the Appeal Board Plays in the Program

Students with unique circumstances that are not covered by the normal assessments under the Ontario Student Assistance Program are allowed to appeal for additional assistance. These appeals are handled by an Appeal Board consisting of representatives from the student body, the public, and the Ontario Association of Student Financial Aid Administrators. During the 1982-83 academic year, 1148 appeals were handled by the Appeal Board. The following were some of the reasons for these appeals: waiver of parental asset contribution, waiver of student asset contribution, parental refusal to support, parental inability to support, step-parent's refusal to assist, and spouse's refusal or inability to contribute. These appeals in 1982-83 resulted in the awarding of $1 076 594 in additional grants and $1 888 380 in additional loans to students. As an independent external body, the Appeal Board ensures equity in individual cases, and provides additional support funds when needed.

The Ministry Verification of Information

The main purpose of the Ministry's verification process is to monitor the administration of the Ontario Student Assistance Program. In this process, data submitted by applicants are validated, and individual cases, which are either selected at the Ministry or brought to its attention, are investigated.

Supporting data provided by students in the application process are examined initially by the Financial Aid Administrators at the colleges and universities when the applications are first screened. This is supplemented by a further, more detailed, review by the Verification staff at the Ministry. Files maintained at the awards offices in the colleges and universities are also audited to ensure compliance with OSAP policies.

Under the Ontario Study Grant Plan introduced in 1978, students and/or their parents or spouses are expected to sign Approval for Release of Tax Information forms which allow the Ministry to confirm with Revenue Canada the income data shown on the students' applications. In administering this system for income verification, the Ministry fully preserves the confidentiality of the information provided.

In 1982-83, 9183 selected files were examined for accuracy of assessments as part of the general audit of student data. The results of this examination showed underpayments of $324 735 and overpayments of $2 288 029. A total of 4762 cases were involved in these adjustments.

Seventy-four cases were investigated for suspected fraud or misrepresentation. Following investigation, eleven cases were referred to the federal authorities for prosecution under the Canada Student Loans Act. These are under investigation by the RCMP. Six cases were referred to the Ontario Provincial Police. Five cases reached trial. Convictions were obtained in four, and the fifth was dismissed on a technicality.

Assistance Under the Ontario Study Grant Plan for Students in Vocation-oriented Courses Offered at Private Vocational Schools

When the Ontario Study Grant Plan was introduced in 1978-79, twenty private vocational schools were approved for participation in the grant plan. In 1982-83, twenty-five private vocational schools qualified for participation in the grant plan.

During the year 1982-83, 4353 students enrolled in private vocational schools received grant assistance totalling $4.34 million. The number of students who received grants in 1982-83 represents an increase of 31.99 per cent over that in the previous year. The average amount of grant assistance provided to these students in 1982-83 was $998, a drop of 4.77% from the previous year.

Private vocational school students who received grant assistance in 1982-83 were enrolled mainly in engineering and technology, trades and vocations, and administration or business programs. The participation of students attending private vocational schools in Ontario for the two years 1981-82 and 1982-83 is given in Table 27. The role of Ontario Student Assistance Program is seen by many as significant in helping vocational students to acquire highly marketable skills and to enter the work force in a short time.

Table 27: Assistance Provided to Private Vocational Students

	1981-82		1982-83	
	Grants	Loans	Grants	Loans
Number of students receiving aid	3298	4271	4353	5677
Total value of aid received (in millions)	$3.46	$10.93	$4.34	$15.49

Summary and Conclusion

In its fifth year of operation, the Ontrio Study Grant Plan promoted accessibility to postsecondary education for Ontario residents by providing 78 554 students with a total of $101.12 million as need-based, non-repayable grants. In addition, federal loans of $146.54 million and provincially guaranteed loans for $51.34 million were also issued to students in 1982-83. Through a combination of these two interest-free loans, the program ensured equality of opportunity for higher education to students who needed additional support funds to complete their studies. A total of 100 778 students were issued a mix of federal and provincial loans.

Full-time students who received assistance in 1982-83 constituted 33.14 per cent of the total full-time enrolment in Ontario's universities and colleges.

In 1978-79 the focus for grant assistance was shifted significantly to dependent single students. In 1982-83 close to 76.76 per cent of the total grant awards was made to this group of students. This is in sharp contrast to the situation before 1978-79, when only 45.5 per cent of the grant awards was received by this group.

Of the total amount of assistance provided as grants to dependent single students, 46.08 per cent was made available to students whose parental gross income was $12 000 and less. No parental support was expected from 28.98 per cent of the dependent students who received grants, largely because of the low gross incomes of their parents. Moreover, some of these students (about 4090) who resided at their parents' homes while going to school also received supplementary allowances ranging from $5 to $15 per week of study in addition to the regular personal and living allowances applicable. The profile of family incomes in Ontario, according to Statistics Canada's preliminary figures for 1982, is given in Table 28.

Table 28: Profile of Family Incomes in Ontario

Income Ranges	Per Cent of Families
Under $10 000	7.0
$10 000 - $11 999	3.4
$12 000 - $12 999	2.2
$13 000 - $13 999	2.2
$14 000 - $14 999	2.3
$15 000 - $15 999	1.3
$16 000 - $16 999	2.1
$17 000 - $17 999	1.7
$18 000 - $19 999	3.6
$20 000 - $21 999	4.0
$22 000 - $24 999	7.5
$25 000 - $29 999	10.7
$30 000 - $34 999	11.5
$35 000 - $39 999	9.5
$40 000 and over	31.0
Total	100.0
Average income	34 021
Median income	30 888

It can be seen from Table 28 that approximately 50 per cent of the families in Ontario had incomes below $30 888. This can be matched with the family income profile of the dependent single students who received assistance in 1982-83. For example, 77.73 per cent of the students who received grants in 1982-83 came from families with incomes below the median level.

Various factors affect the students' decision to enrol or continue in postsecondary study, and availability of financial support is one of these factors. It is this factor that the Ontario Student Assistance Program will continue to address in its twin objectives of promoting accessibility to higher education and ensuring equality of opportunity.

Appendix 1: Tables

Table A: Ontario Student Assistance Program, Total Provincial Expenditure - Grants, Loan Interest and Claims, Bursaries, Work Study Funds

Fiscal Year	Ontario Study Grants	Ontario Student Loan Interest and Claims	Ontario Special Bursaries	Ontario Work Study Plan	Total
1982-83	100 515 441	8 337 270	582 819	47 521	109 483 051
1981-82	78 747 421	7 186 223	490 111	-	86 423 755
1980-81	85 377 688[1]	4 036 600	477 471	-	89 891 759
1979-80	84 009 164[1]	1 373 440	409 394	-	85 791 998
1978-79	78 989 259[1]	424 177	427 736	-	79 841 172
1977-78	66 491 360	284 529	427 880	-	67 203 769
1976-77	54 973 977	116 093	300 137	-	55 390 207
1975-76	49 117 077	29 448	208 583	-	49 355 108
1974-75	39 445 128	22 329[2]	141 648[3]	-	39 609 105
1973-74	31 238 657	-	-	-	31 238 657
1972-73	23 115 327	-	-	-	23 115 327
1971-72	28 882 135	-	-	-	28 882 135

1. Includes loan remission
2. Part-time Student Loans Program
3. Part-time Student Bursaries Program

Source: - Public Accounts of Ontario

Table B: Ontario Student Assistance Program, Full-Time Enrolment and OSAP Recipients

Year	Full-Time Enrolment in Ontario Universities and Colleges	OSAP Recipients[3] (Grant and Loan)
1982-83	264 658	100 778
1981-82	247 533	81 180
1980-81	235 461	78 991
1979-80	225 504	81 936
1978-79	219 204	74 956
1977-78	219 982	99 098
1976-77	221 858	101 417
1975-76	216 691	74 829
1974-75	205 158	88 984
1973-74	193 114	72 001

[3] Enrolled in Ontario universities and colleges, and also in private vocational schools, and other post-secondary institutions

Source: Ministry of Colleges and Universities, Management Information Systems reports; Ministry of Colleges and Universities, statistical reports

Table C: Ontario Student Assistance Program, Grant Awards by Student Group

Program Year	Total Awards Issued	Dependent Single Students - Number of Awards	Married Students - Number of Awards	Independent Single Students - Number of Awards
1982-83	78 554	60 297 (76.8%)	7 967 (10.1%)	10 290 (13.1%)
1981-82	62 557	47 338 (75.7%)	6 695 (10.7%)	8 524 (13.6%)
1980-81	62 320	47 753 (76.6%)	6 294 (10.1%)	8 273 (13.3%)
1979-80	62 373	46 703 (74.9%)	6 546 (10.5%)	9 124 (14.6%)
1978-79	54 000	40 235 (74.5%)	5 223 (9.7%)	8 542 (15.8%)
1977-78	63 484	28 858 (45.5%)	8 732 (13.7%)	25 894 (40.8%)
1976-77	59 086	26 033 (44.1%)	8 688 (14.7%)	24 365 (41.2%)
1975-76	51 111	25 768 (50.4%)	6 591 (12.9%)	18 752 (36.7%)
1974-75	48 326	26 762 (55.4%)	6 253 (12.9%)	15 311 (31.7%)
1973-74	44 640	28 189 (63.1%)	7 914 (17.8%)	8 537 (19.1%)
1972-73	37 645	22 594 (60.0%)	7 692 (20.5%)	7 359 (19.5%)
1971-72	45 439	29 599 (65.1%)	8 724 (19.2%)	7 116 (15.7%)

Source: - Ministry of Colleges and Universities, statistical reports

Table D: Ontario Student Assistance Program, Grant Awards - Dollar Ranges

Range of Award	1979-80 Recipients (as % of total)	1980-81 Recipients (as % of total)	1981-82 Recipients (as % of total)	1982-83 Recipients (as % of total
$ 1 - 500	13.90	13.12	13.86	12.21
501 - 1000	18.19	17.93	16.31	15.42
1001 - 1500	17.48	16.21	16.70	15.70
1501 - 2000	25.11	24.00	15.22	14.45
2001 - 2500	12.83	10.82	18.23	17.96
2501 - 3000	9.51	10.99	9.32	8.49
3001 - 3500	2.08	5.06	7.26	8.38
3501 - 4000	0.58	1.21	1.99	4.60
Over $4000	0.32	0.66	1.11	2.79
Total	100.0	100.0	100.0	100.0

Source: Ministry of Colleges and Universities, statistical reports

Table E: Ontario Student Assistance Program, Average Grant Awards by Student Group

Student Group	1982-83	1981-82	1980-81	1979-80	1978-79
A	$1182	$1125	$1229	$1229	$1253
B (single)	1833	1782	1635	1538	1796
B (married)	1317	1289	1338	1269	1234

Source - Ministry of Colleges and Universities, statistical reports

Table F: Ontario Student Assistance Program, Grants Received by Dependent Students According to their Parental Gross Income Ranges

1982-83

Parental Gross Income Ranges	Grant Recipients (As % of Total)	Total Grants Assessed (As % of Total)	Average Grant/ Income Range
$ 1 - $8 000	14.20	27.70	$2 308
8 001 - 9 000	2.19	4.26	2 300
9 001 - 10 000	2.45	4.71	2 278
10 001 - 11 000	2.51	4.70	2 211
11 001 - 12 000	2.55	4.71	2 186
12 001 - 13 000	2.63	4.67	2 097
13 001 - 14 000	2.54	4.35	2 023
14 001 - 15 000	2.90	4.54	1 853
15 001 - 16 000	2.91	4.42	1 798
16 001 - 17 000	2.80	3.97	1 678
17 001 - 18 000	3.02	3.89	1 523
18 001 - 19 000	2.83	3.35	1 400
19 001 - 20 000	3.01	3.19	1 254
20 001 - 25 000	15.17	11.64	908
25 001 - 30 000	14.17	5.74	479
30 001 - 35 000	10.79	2.56	281
35 001 - 40 000	7.10	1.07	179
Over $40 000	6.23	0.53	100
Total	100.0	100.0	1 182

Source: Ministry of Colleges and Universities, statistical reports

Table G: Ontario Student Assistance Program, Gross Asset Ranges of Parents of Dependent Students Eligible for Grants

Parental Gross Asset Ranges	1979-80 Per Cent of Students	1980-81 Per Cent of Students	1981-82 Per Cent of Students	1982-83 Per Cent of Students
Less than $1	5.27	6.45	6.92	7.27
$ 1 - 80 000	77.24	72.90	67.71	65.28
80 001 - 100 000	8.37	9.39	10.83	10.92
100 001 - 120 000	3.77	4.40	5.57	6.25
120 001 - 140 000	1.89	2.39	3.20	3.67
140 001 - 160 000	1.27	1.48	1.88	2.23
160 001 - 180 000	0.71	0.78	1.16	1.33
180 001 - 200 000	0.51	0.57	0.70	0.79
200 001 - 220 000	0.44	0.43	0.53	0.54
220 001 - 240 000	0.26	0.29	0.33	0.37
240 001 - 260 000	0.21	0.25	0.26	0.30
260 001 - 280 000	0.03	0.13	0.17	0.18
280 001 - 300 000	0.02	0.10	0.13	0.16
Over $300 000	0.01	0.44	0.61	0.71
Total	100.0	100.0	100.0	100.0

Source: - Ministry of Colleges and Universities, statistical reports

Table H: Ontario Student Assistance Program, Contribution from Students' Summer Earnings

Contribution Ranges	Per Cent of Students			
	1979-80	1980-81	1981-82	1982-83
Less than $1	8.66	10.85	11.79	12.39
$ 1 - 200	0.14	0.23	0.20	0.28
201 - 400	18.71	17.40	0.38	0.49
401 - 600	4.92	5.29	19.44	21.20
601 - 800	45.59	42.18	5.17	1.96
801 - 1 000	6.45	6.34	42.31	4.62
1 001 - 1 200	5.37	5.36	5.95	48.79
1 201 - 1 400	3.49	3.53	4.09	2.78
1 401 - 1 600	2.70	3.04	3.37	2.43
1 601 - 1 800	1.40	1.81	2.35	1.54
1 801 - 2 000	1.01	1.55	1.72	1.21
2 001 - 2 200	0.62	0.96	1.26	0.74
2 201 - 2 400	0.38	0.55	0.72	0.52
2 401 - 2 600	0.25	0.36	0.45	0.37
2 601 - 2 800	0.09	0.18	0.28	0.24
2 801 - 3 000	0.07	0.13	0.18	0.18
Over $3 000	0.15	0.24	0.34	0.26
Total	100.0	100.0	100.0	100.0

Source: Ministry of Colleges and Universities, statistical reports

Appendix 2: Charts

Chart A: Ontario Student Assistance Program, Total Expenditure

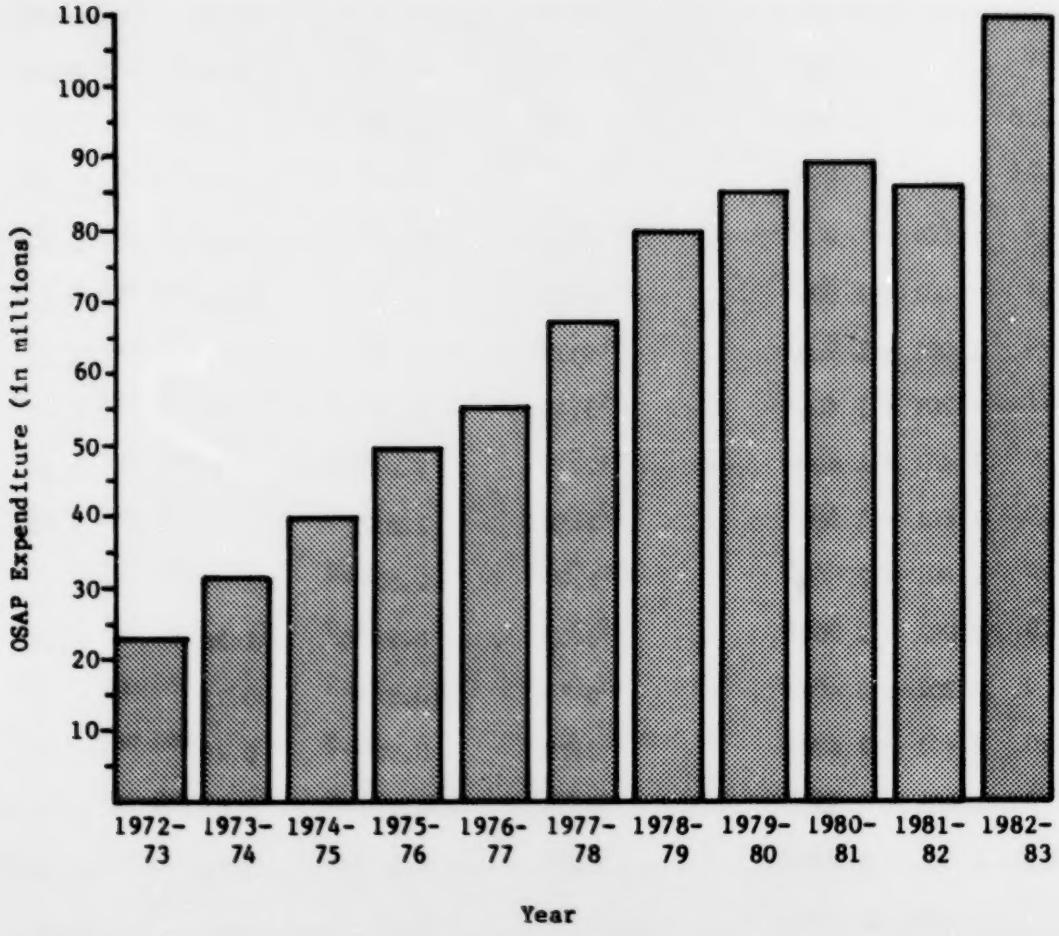
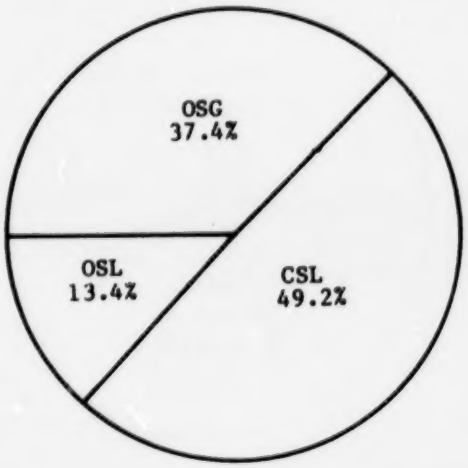
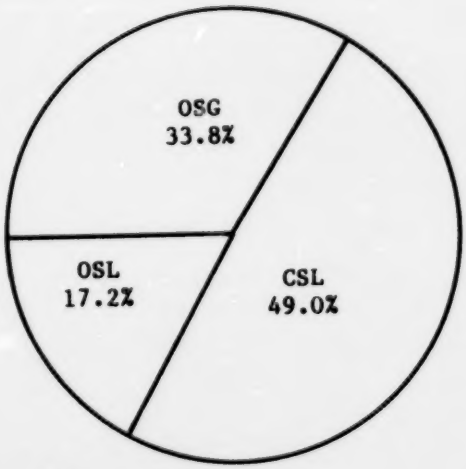


Chart B: Ontario Student Assistance Program, Breakdown of Total Assistance

1981-82



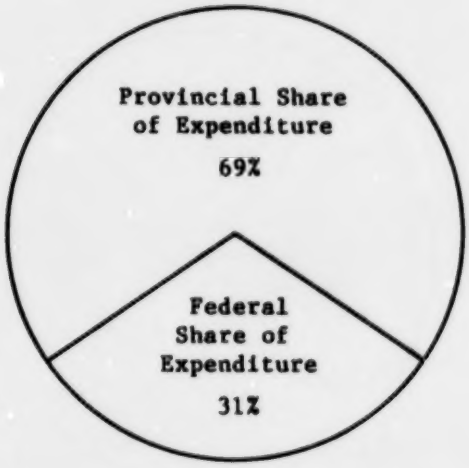
1982-83



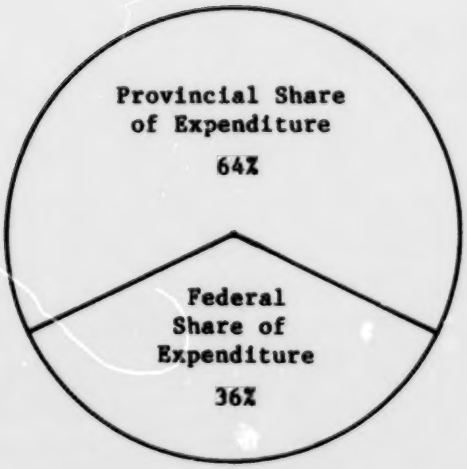
OSG: Ontario Study Grant
CSL: Canada Student Loan
OSL: Ontario Student Loan

Chart C: Ontario Student Assistance Program, Expenditure[4] by Federal and Provincial Governments

1981-82



1982-83



[4]Expenditure includes: Grants and bursaries, Interest on federal and provincial loans, payments covering loan defaults, loan remissions and other direct payments to students.

Chart D: Ontario Student Assistance Program, Full-Time Enrolment in Ontario Universities and Colleges, and OSAP Recipients

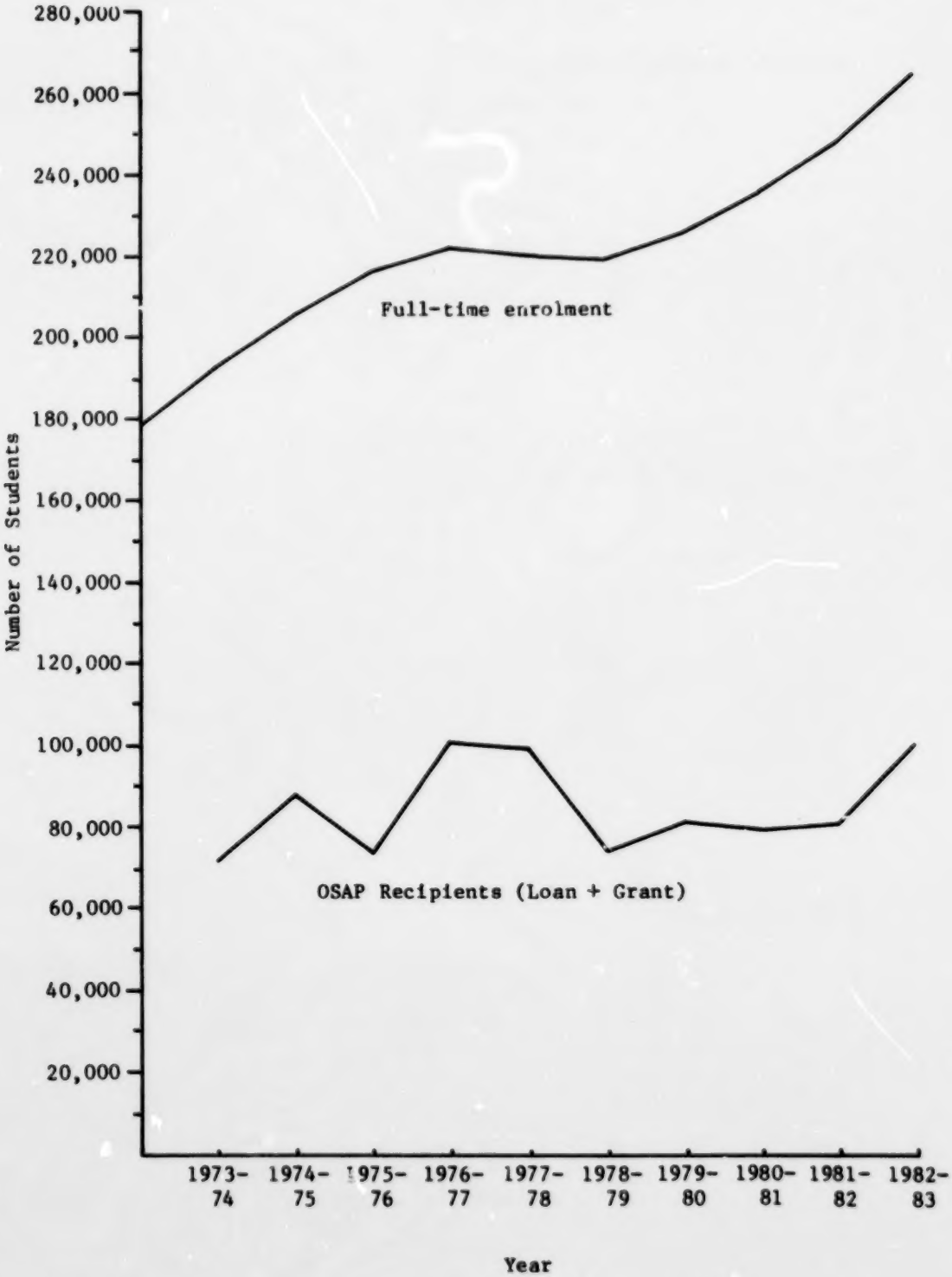
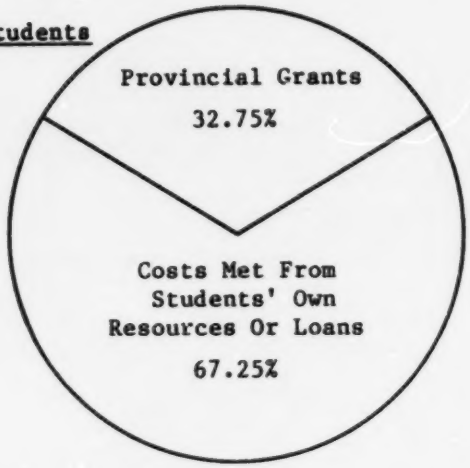
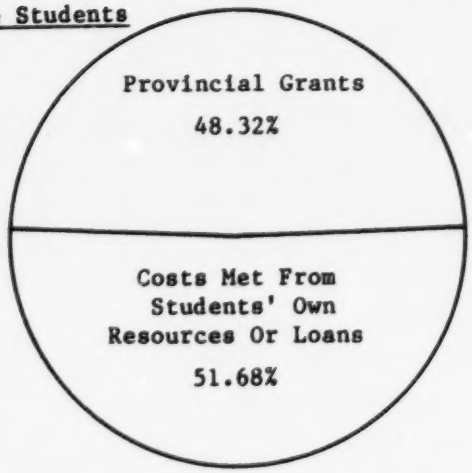


Chart E: Ontario Student Assistance Program, Costs of Students Applying for Grants

Dependent Single Students



Independent Single Students



Married Students

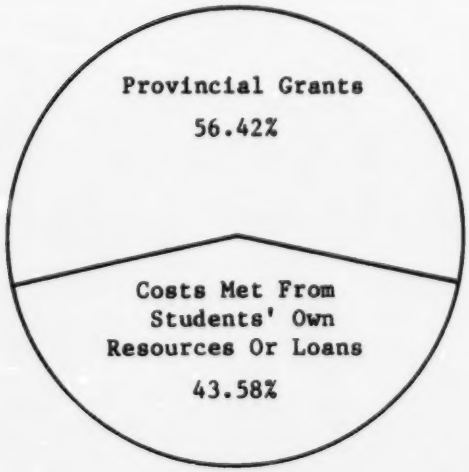
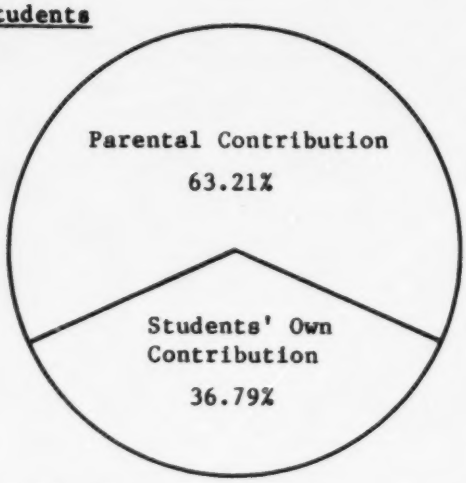
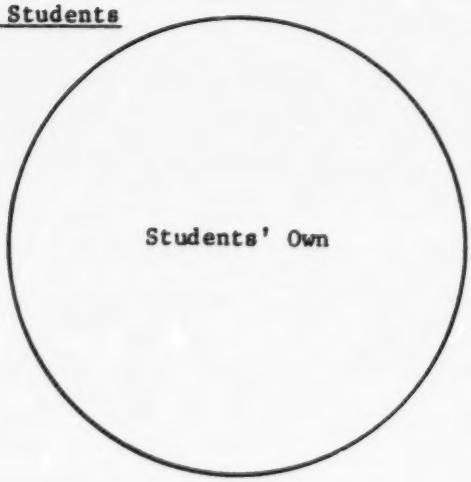


Chart F: Ontario Student Assistance Program, Resources of Students in Grant Assessment

Dependent Single Students



Independent Single Students



Married Students

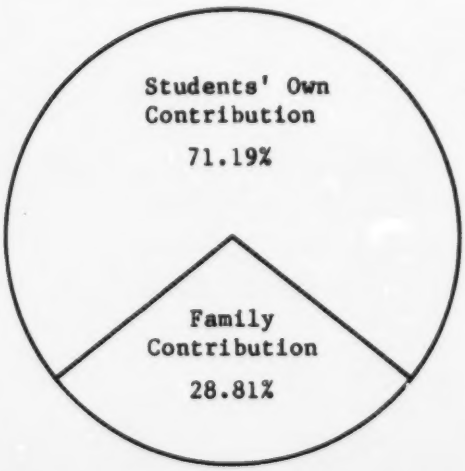


Chart G: Ontario Student Assistance Program, Grant Awards by Student Group

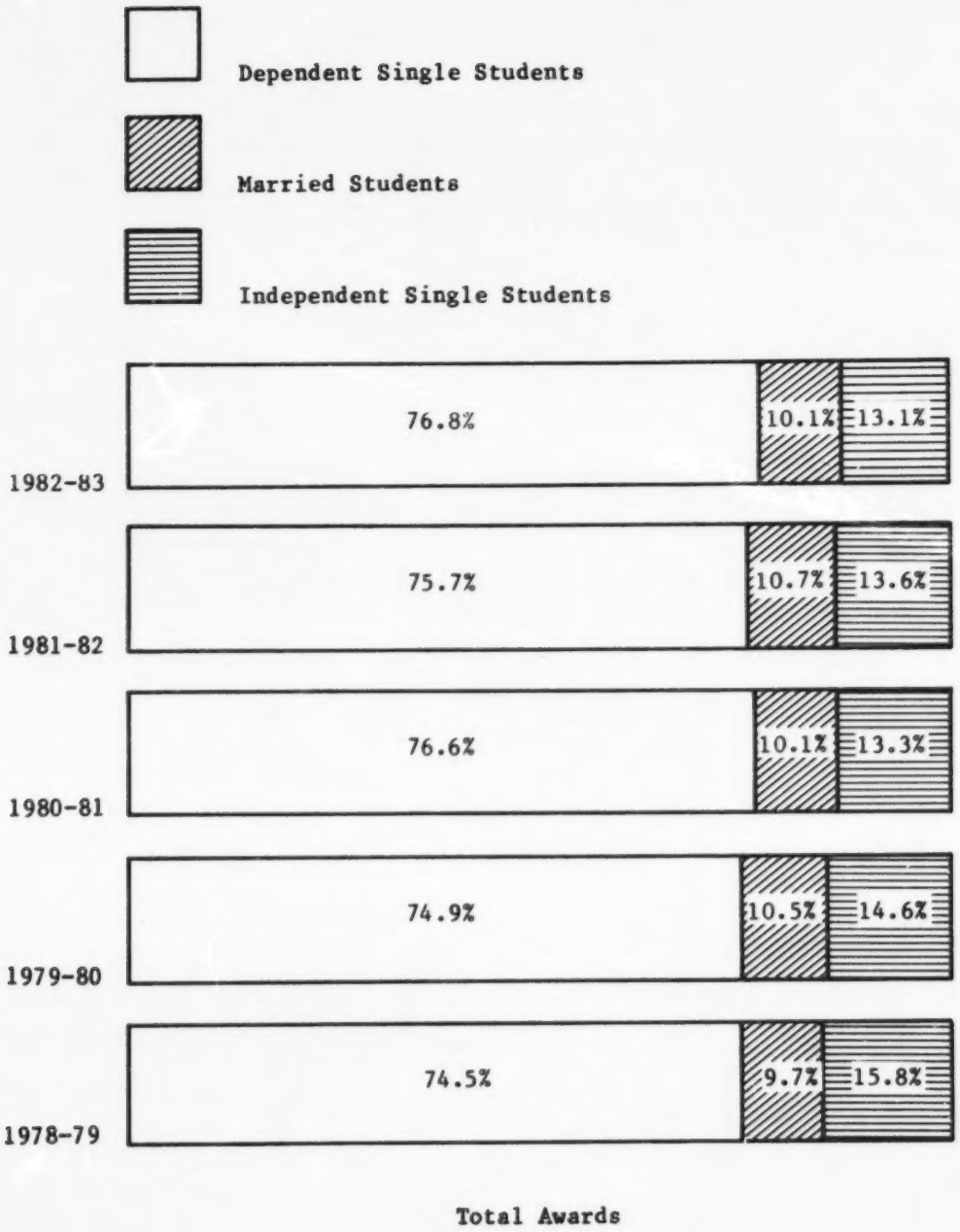
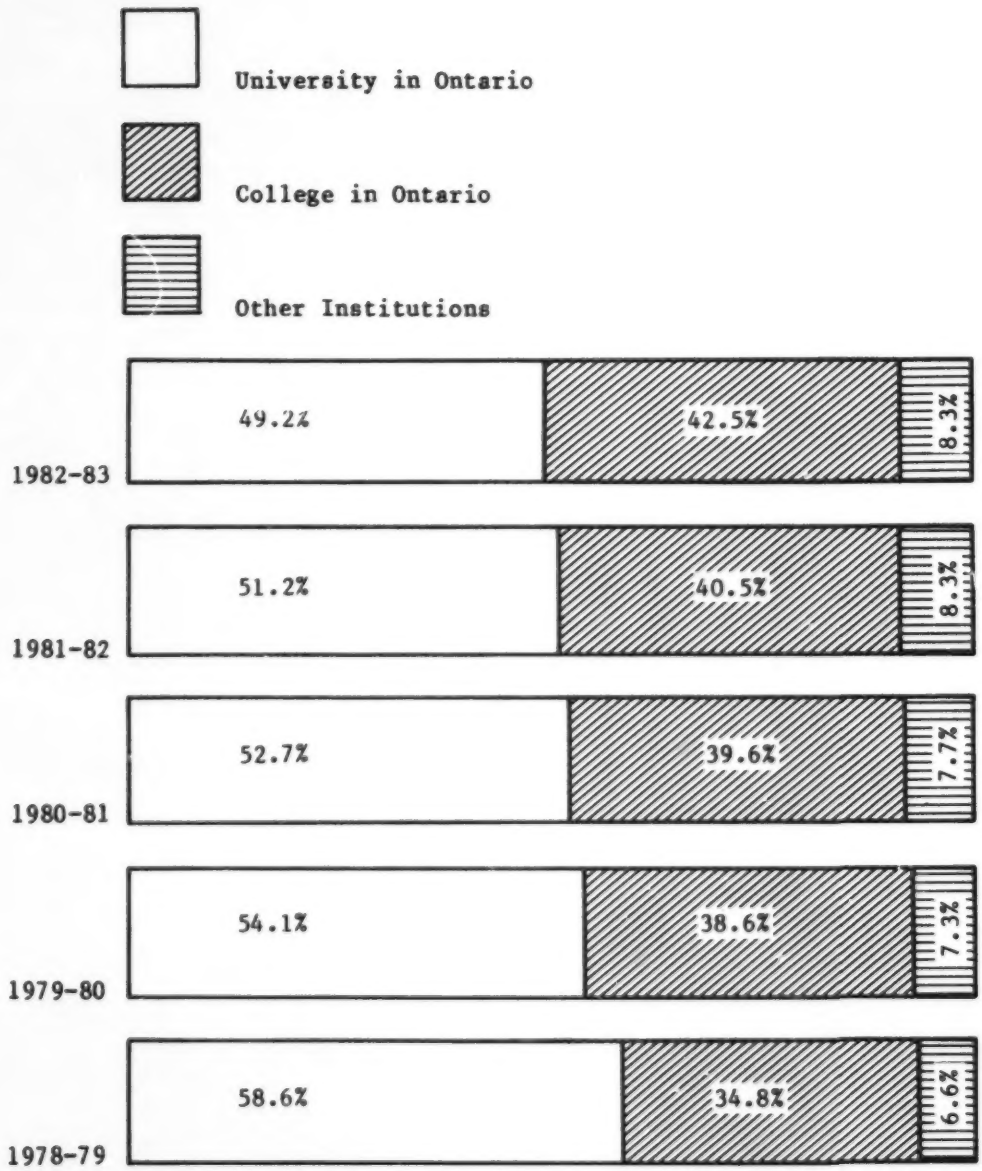


Chart H: Ontario Student Assistance Program, Grant Awards by Institution Type



Total Awards

Chart I: Ontario Student Assistance Program, Parental Gross Income of Dependent Single Students Receiving Grants

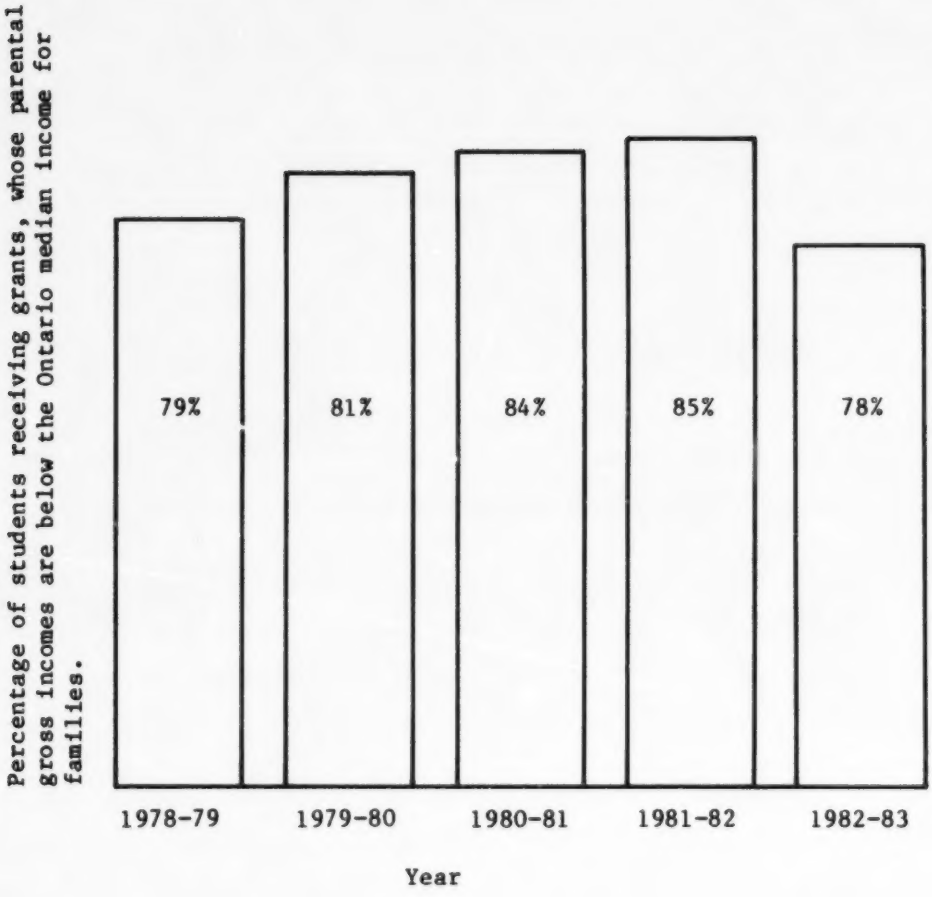
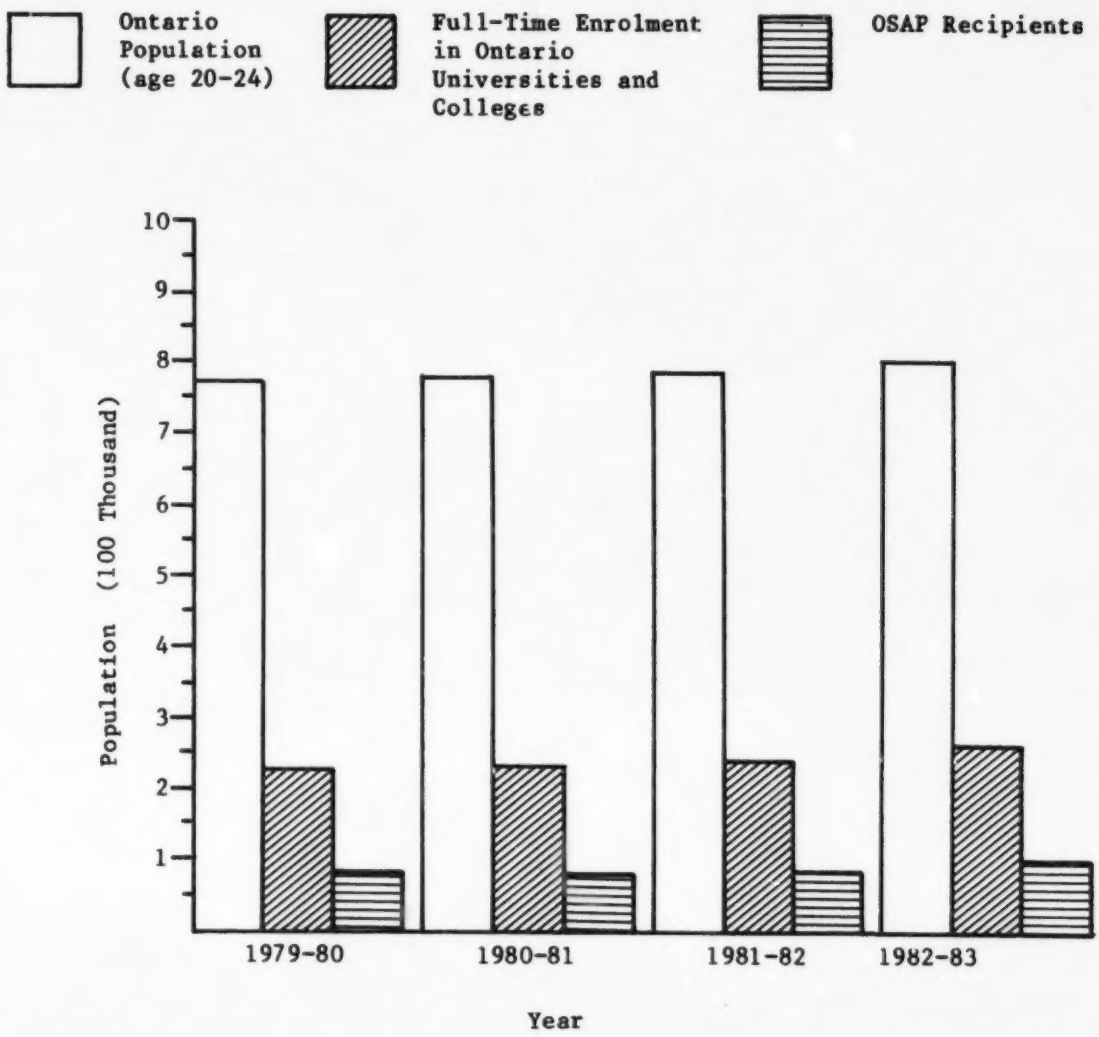


Chart J: Ontario Student Assistance Program, Ontario Population[5] (Age 20 - 24), Full-Time Enrolment in Ontario Universities and Colleges, and OSAP Recipients



[5]Source: Ontario Statistics 1983